DOCKET SECTION BEFORE THE

POSTAL RATE COMMISSION WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997)

VAL-PAK DIRECT MARKETING SYSTEMS, INC., VAL-PAK DEALERS' ASSOCIATION, INC., AND CAROL WRIGHT PROMOTIONS, INC.

SECOND INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS TO POSTAL SERVICE WITNESS MICHAEL R. MCGRANE (VP-CW/USPS-ST44-23-25) (November 14, 1997)

Pursuant to sections 25 and 26 of the Postal Rate Commission rules of practice, Val-Pak Direct Marketing Systems, Inc., Val-Pak Dealers' Association, Inc., and Carol Wright Promotions, Inc., d/b/a "Cox Direct," hereby submit interrogatories and document production requests. If necessary, please redirect any interrogatory and/or request to a more appropriate Postal Service witness.

Respectfully submitted,

William J. Ølson John S. Miles Alan Woll

John F. Callender, Jr. William J. Olson, P.C.

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Counsel for Val-Pak Direct Marketing Systems, Inc., Val-Pak Dealers' Association, Inc., and Carol Wright Promotions, Inc.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served by hand delivery or mail the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

William J. Olson

November 14, 1997

VP-CW/USPS-ST44-23.

Please refer to your response to VP-CW/USPS-ST44-4.

- a. Please answer VP-CW/USPS-ST44-4, part b., assuming the data are to be used to study the effect of weight on mail processing costs.
- b. Please provide, in electronic spreadsheet format, the estimated coefficient of variation, and the estimated upper and lower 95 percent confidence limits, for each entry in the table entitled "Attachment 1 to VP-CW/USPS-ST44-4, Number of FY96 IOCS Tallies by Weight Increment and Field 9213 Response."

VP-CW/USPS-ST44-24.

Please refer to your response to VP-CW/USPS-ST44-6.

- a. Please explain fully what you meant by "valid weight information."
- b. Is it your understanding that all "invalid" weight information should have been removed from the IOCS mail processing tallies as a result of the Postal Service's IOCS data checking and verification procedures (see LR-H-14) before being saved to the file named "hqtal96.prc"? If not, please explain.
- c. If your answer to part b. above is anything other than an unqualified affirmative, please explain how one should use the tally data provided in LR-H-23 (in the file named "hqtal96.prc"), or any other publically available information provided in connection with this case, to identify those tallies with "valid weight information," as distinct from those with "invalid" weight information.

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VP-CW/USPS-ST44-25.

Please refer to your response to VP-CW/USPS-ST44-3.

- a. Based on the observations and studies that you have done with respect to the effect of weight on cost, is it your belief that the increased weight of the mailpieces in a bulk mailing, especially substantial increases such as two to four times some initial weight, usually result in a finer level of presortation and mail makeup, which in turn may result in lower handling cost? Please explain your response.
- b. Please discuss the extent to which you think there may be weight-related presort savings that are not captured in the existing per piece measure of cost avoidance.